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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।  
Separate paging is given to this Part in order that it may be filed  
as a separate compilation.

## MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 16th January, 1991/Pausa 26, 1912 (Saka)

The following Act of Parliament received the assent of the President on the 15th January, 1991, and is hereby published for general information:—

### THE TAXATION LAWS (AMENDMENT) ACT, 1991

No. 2 of 1991

[15th January, 1991.]

An Act further to amend the Finance Act 1990 and the Income-tax Act, 1961.

Be it enacted by Parliament in the Forty-first Year of the Republic of India as follows:—

1. This Act may be called the Taxation Laws (Amendment) Act 1991.

Short  
title.

12 of 1990.

2. In section 2 of the Finance Act, 1990 (hereinafter referred to as the principal Act).—

Amend-  
ment of  
section 2.

(a) in sub-section (5) —

(i) for the words “eight per cent.”, wherever they occur, the words “twelve per cent.” shall be substituted;

(ii) the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 15th day of October, 1990, namely:—

‘Provided that in the case of a contractor, being a domestic company, the provisions of this sub-section shall have

effect, as if for the words “eight per cent.”, the words “fifteen per cent.” had been substituted.”;

(b) in sub-section (6),—

(i) for the words “eight per cent.”, wherever they occur, the words “twelve per cent.” shall be substituted;

(ii) the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 15th day of October, 1990, namely:—

‘Provided that in the case of a buyer, being a domestic company, the provisions of this sub-section shall have effect, as if for the words “eight per cent.”, the words “fifteen per cent.” had been substituted.’;

(c) in sub-section (7), in the second proviso, for the words “eight per cent.”, the words “fifteen per cent.” shall be substituted and shall be deemed to have been substituted with effect from the 15th day of October, 1990;

(d) in sub-section (8), in the proviso, for the words “eight per cent.”, the words “twelve per cent.” shall be substituted.

3. In the First Schedule to the principal Act,—

(a) in Part II, under the heading “*Surcharge on income-tax*” and the entries relating thereto, as they existed immediately before their amendment by the Finance (Second Amendment) Ordinance, 1990, the following proviso shall be inserted, namely:—

Ord. 8 of  
1990.

“Provided that the income-tax deducted in accordance with the provisions of—

(i) sub-item (a) of item 1 of this Part shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax on and from the date the Taxation Laws (Amendment) Act, 1991 receives the assent of the President;

(ii) sub-item (a) of item 2 of this Part shall be increased by a surcharge calculated at the rate of fifteen per cent. of such income-tax with effect from the 15th day of October, 1990.”;

(b) in Part III,—

(i) in Paragraph A,—

(1) in Sub-Paragraph I, under the heading “*Surcharge on income-tax*”, for the words “eight per cent.”, the words “twelve per cent.” shall be substituted;

(2) in Sub-Paragraph II, under the heading “*Surcharge on income-tax*”, for the words “eight per cent.”, the words “twelve per cent.” shall be substituted;

(ii) in Paragraph B, under the heading “*Surcharge on income-tax*”, for the words “eight per cent.”, the words “twelve per cent.” shall be substituted;

Amend-  
ment of  
First  
Schedule.

(iii) in Paragraph C,—

(1) in Sub-Paragraph I, under the heading "*Surcharge on income-tax*", for the words "eight per cent.", the words "twelve per cent." shall be substituted;

(2) in Sub-Paragraph II, under the heading "*Surcharge on income-tax*", for the words "eight per cent.", the words "twelve per cent." shall be substituted;

(iv) in Paragraph D, under the heading "*Surcharge on income-tax*", for the words "eight per cent.", the words "twelve per cent." shall be substituted;

(v) in Paragraph E, under the heading "*Surcharge on income-tax*", for the words "eight per cent.", the words "fifteen per cent." shall be substituted and shall be deemed to have been substituted with effect from the 15th day of October, 1990.

43 of 1961.

4. In section 32 of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act), in sub-section (1), in clause (ii), after the second proviso and before *Explanation 1*, the following proviso shall be inserted, namely:—

Amend-  
ment of  
section 32.

"Provided also that, in respect of the previous year relevant to the assessment year commencing on the 1st day of April, 1991, the deduction in relation to any block of assets under this clause shall, in the case of a company, be restricted to seventy-five per cent. of the amount calculated at the percentage, on the written down value of such assets, prescribed under this Act immediately before the commencement of the Taxation Laws (Amendment) Act, 1991."

5. In section 234C of the Income-tax Act, in sub-section (1), after the first proviso and before the *Explanation*, the following proviso shall be inserted, namely:—

Amend-  
ment of  
section  
234C.

"Provided further that nothing contained in this sub-section shall apply to any shortfall in the payment of the tax due on the returned income where such shortfall is on account of—

(a) restricting the amount of deduction under the third proviso to clause (ii) of sub-section (1) of section 32;

(b) increase in the rate of surcharge under section 2 of the Finance Act, 1990, as amended by the Taxation Laws (Amendment) Act, 1991,

12 of 1990.

and the assessee has paid the amount of shortfall,—

(i) where it is a domestic company and—

(1) the case falls under clause (a), as part of the instalment of advance tax which is immediately due;

(2) the case falls under clause (b), on or before the 15th day of November, 1990 in respect of the instalment of advance tax due on the 15th day of September, 1990;

(ii) where it is not a domestic company and—

(1) the case falls under clause (a), as part of the instalment of advance tax which is immediately due;

(2) the case falls under clause (b), as part of the instalment of advance tax due on or before the 15th day of March 1991.”.

Payment  
of sur-  
charge.

6. Notwithstanding anything contained in the Income-tax Act,—

(a) the surcharge payable under section 2 of, and Part III of the First Schedule to, the principal Act, as amended by this Act,—

(i) in the case of an assessee being a domestic company, shall, in respect of the instalment of “advance tax” paid or payable on or before the 15th day of September, 1990, be payable on or before the 15th day of November, 1990;

(ii) in the case of an assessee not being a domestic company, shall, in respect of the instalment of “advance tax” paid or payable on or before the 15th day of September, 1990 and the 15th day of December, 1990, be payable on or before the 15th day of March, 1991;

(iii) in any case in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act, shall be payable only where such income-tax is so calculated or charged—

(1) in respect of a domestic company, after the 15th day of October, 1990;

(2) in respect of any other assessee, after the date on which this Act receives the assent of the President;

(b) in the case of surcharge deductible under section 2 of, and Part III of the First Schedule to, the principal Act, as amended by this Act, the person responsible for making the payment referred to in sub-section (1) or sub-section (2) or sub-section (2A) or sub-section (2B) of section 192 of the Income-tax Act shall, at the time of making such payment after the date on which this Act receives the assent of the President, adjust any deficiency arising out of any previous deduction resulting on account of the increase in the rate of surcharge.

Ord. 8 of  
1990.

7. (1) The Finance (Second Amendment) Ordinance, 1990 is hereby repealed.

Repeal  
and  
saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

B. R. ATRE,  
*Joint Secy. to the Govt. of India.*

#### CORRIGENDA

In the Finance Act, 1990 (12 of 1990) as published in the Gazette of India, Extraordinary, Part II, Section 1, dated the 1st June, 1990 (Issue No. 22),—

At page 13, in line 20, for “substituted;”, read “substituted”.

At page 19, in line 32, for “Income-tax”, read “Income-tax Act”.

At page 31, in line 11, for “sub-sertion”, read “sub-section”.

At page 34, in line 33, for “namley”, read “namely”.

At page 37, in the margin against line 26, for “18 of 1897.”, read “10 of 1897.”.

At page 44, in line 55, for “Part LII”, read “Part III”.

At page 50, in the last line, for “on the balance, if any, of the total income”, read “(ii) on the balance, if any, of the total income”.

